

Dealing Number



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<b>1. Lessor</b>	<b>Lodger</b> (Name, address, E-mail & phone number)	<b>Lodger Code</b>
DAMSELL INVESTMENTS PTY LTD ACN 624 372 863 AS TRUSTEE UNDER INSTRUMENT 718748848		

<b>2. Lot on Plan Description</b>	<b>Title Reference</b>
LOT 321 CROWN PLAN CK2918	17203221

<b>3. Lessee</b>	Given names	Surname/Company name and number	(include tenancy if more than one)
		BG AND JR PETERSON PTY LTD ACN 607 591 864	AS TRUSTEE

<b>4. Interest being leased</b>
FEE SIMPLE

<b>5. Description of premises being leased</b>
THAT PART OF THE LAND DESCRIBED IN ITEM 2 ABOVE SHOWN ON THE ATTACHED PLAN

<b>6. Term of lease</b>	<b>7. Rental/Consideration</b>
Commencement date/event: 01/03/2020 Expiry date: 30/09/2023 #Options: NIL	SEE ENLARGED PANEL

**8. Grant/Execution**  
The Lessor leases the premises described in item 5 to the Lessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule.

Witnessing officer must be aware of his/her obligations under section 162 of the Land Title Act 1994

.....Signature	DAMSELL INVESTMENTS PTY LTD ACN 624 372 863
.....full name	..... Director Lessor's Signature
.....qualification	..... Director Lessor's Signature
Witnessing Officer	12/06/2020 Execution Date

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

**9. Acceptance**  
The Lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

.....Signature	BG AND JR PETERSON PTY LTD ACN 607 591 844
.....full name	..... Director Lessor's Signature
.....qualification	..... Director Lessor's Signature
Witnessing Officer	7/6/2020 Execution Date

(Witnessing officer must be in accordance with Schedule 1 of Land Title Act 1994 eg Legal Practitioner, JP, C Dec)

Title Reference [17203221]

**Item 7**

**Rental/Consideration**

- 1.0 The rental payable by the Lessee to the Lessor during the term shall be the greater of:
  - 1.1 The sum equivalent to 12.5% of the gross value of sugar cane harvested from the Demised Land during the term; or
  - 1.2 The sum of \$3,665.00 per annum plus GST (equivalent to \$250.00 per hectare for the cultivated area) for each of the cane growing seasons 2020 to 2023).
- 2.0 The rental payment in terms of clause 1.2 shall be paid by equal quarterly instalments.
- 3.0 If any further rental is payable in terms of clause 1.1 above then payment must be made in the month of July following the previous harvesting season.
- 4.0 To remove any doubt this Lease covers cane grown and available for harvest in the 2020 to 2023 inclusive cane harvesting seasons.
- 5.0 The rental referred to above is expressed in GST exclusive amounts.

**Title Reference [17203221]**

- 1.0 DEFINITIONS** – in this Lease unless the context otherwise requires the following expressions shall mean:
- 1.1** Demised Land: those parts of the Land described in Item 5 of attached Form 7 Lease;
- GST Act: A New Tax System (Goods and Services Tax) Act 1999 (Commonwealth) and related, substituted and amended legislation;
- Isis Mill: Isis Central Sugar Mill Company Limited;
- Isis Mill Area: the lands from which sugar cane is supplied to the Isis Mill;
- Isis Productivity: Isis Productivity Limited ACN 108 518 216 being a corporate entity charged with the development and promotion of better sugar cane farming practices in the Isis Mill Area;
- Irrigation Plant: the Lessor's interest in all irrigation plant, equipment and machinery including but not limited to irrigation motor and pump, underground mains and hydrants;
- Land: the lands described in Item 2 of the attached Form 7 lease;
- Lease: the attached Form 7 and this Schedule which forms this sub-lease;
- Lessee: BG and JR Peterson Pty Ltd ACN 607 591 864 as trustee for Peterson Family Trust care of 131 Bouchardts Road, Childers, 4660;
- Lessor: Damshell Investments Pty Ltd ACN 624 372 863 as trustee for Sheldam Super Fund c/- 7 Bendidee Court, Branyan
- Water Allocation: the water allocation described as Allocation 763 on CP AP6975 being for 31 ML;
- 2.0 INTERPRETATIONS**
- 2.1 Duration of Covenants** – the terms, covenants, conditions and restrictions of this Lease shall unless the context otherwise requires be construed as continuing throughout the Term hereof and thereafter so far as they remain to be observed or performed and the acceptance of a surrender of this Lease to enable the registration of such surrender following the forfeiture thereof shall be without prejudice to any rights accrued to either party prior to such surrender of any rights of the Lessor to damages for breach of contract.
- 2.2 Severability** – If any term, covenant or condition of this Lease or the application thereof to any person or circumstances shall be or become invalid or unenforceable the remaining terms, covenants and conditions shall not be affected thereby.
- 2.3 Implied Covenants** – the covenants implied by law (statutory or otherwise) shall be modified (where so permitted) as provided in this Lease.
- 2.4 Lessees Severally Bound** – where two or more persons are Lessees they shall be jointly and severally bound by the covenants and obligations on their part under this Lease.
- 2.5 Plurals and Genders** – the singular shall be deemed to include the plural and vice versa and one gender shall be deemed to include the other genders.
- 2.6 Statutes and Regulations** – reference to statutes, regulations, ordinances or by-laws shall unless inconsistent with the context be deemed to extend to all amendments, consolidations or replacements thereof.
- 2.7 Bodies and Associations** – reference to authorities or organisations whether statutory or otherwise shall in the event of any such authority or organisation ceasing to exist or being reconstituted, renamed or replaced or the powers or functions thereof being transferred to any other authority or organisations be deemed to refer respectively to the authority or organisation established or constituted in lieu thereof and/or as nearly as may be succeeding to the powers or functions thereof.

**Title Reference [17203221]**

- 2.8 Headings and Index** – headings and sub-headings and index have been included for ease of reference and this Lease shall not be construed or interpreted by reference to such headings and sub-headings or index.
- 3.0 Outgoings** - The lessee must pay by their respective due dates: -
- 3.1** All rates, taxes and charges on the whole of the Land levied by the Local Authority and all levies on the Land levied under the Fire and Rescue Services Act.
- 3.2** All costs and charges relating to the Water Allocation including fixed and usage charges, for the Term;
- 3.3** All costs for all regular, special or unusual services including (without limitation) for all sources of energy, electricity, gas, oil, water and supplied, metered, consumed or connected to, in or on the Demised Premises and the Water Allocation and Irrigation Plant.
- 4.0 Irrigation Plant** – The Lessee shall have the use of the Lessor's interest in all irrigation plant located on the Land at the commencement of this Lease which shall be used for the purpose of farming and working of the Demised Land. The Lessee shall properly maintain and repair all the irrigation plant during the term hereof and shall replace any of such as shall be damaged or rendered unfit for use fair wear and tear excepted and shall yield up the same at the end or sooner determination hereof in as good and proper state of repair as existed at the date of commencement of this Lease fair wear and tear excepted and shall not lend or part with the possession of any of the irrigation plant without the consent of the Lessor in writing. To remove any doubt any irrigation plant which through fair wear and tear is no longer practicable to repair (i.e. should the repair costs exceed replacement costs) shall be replaced by the Lessor at the sole cost of the Lessor. The Lessor shall ensure that the irrigation plant is in serviceable condition at the commencement of this Lease.
- 5.0 Quiet Enjoyment** – The Lessor covenants with the Lessee for quiet enjoyment.
- 6.0 Repair Improvements** – The Lessee will keep during the said term and at the expiration or sooner determination hereof yield up all fences, buildings and other improvements on the Demised Land in good and tenantable repair, reasonable wear and tear and damage by fire storm or tempest or other Act of God excepted. The Lessee shall permit the Lessor and its agents to enter and inspect the state of repair and upon receiving written notice shall forthwith repair in accordance therewith and clause 5 column 2 of the third schedule of "The Property Law Act 1974" shall apply AND also if the Lessee shall at any time make default in the performance of any of the covenants herein contained it shall be lawful for the Lessor (but without prejudice to the right of re-entry under the clause hereinafter contained) to enter upon the demised land and repair same at the expense of the Lessee in accordance with the provisions of these presents and the expenses of such repairs shall be repaid to the Lessor by the Lessee on demand.
- 7.0 Insurance of Improvements**– The Lessor shall insure and keep insured to their full insurable value all buildings and improvements on the Demised Land and shall pay and discharge promptly all insurance premiums payable in respect thereto and in the event of the total or partial destruction or loss of any part of such buildings or improvements without default on the part of the Lessee all moneys received under or by virtue of any such insurances shall be applied for the purpose of reinstating or repairing such loss or destruction.
- 8.0 Farming Practice by Lessee** – The Lessee will during the said term farm and manage and cultivate that part of the Demised Land used for cane growing at all times with sugar cane of varieties approved by Isis Productivity in accordance with the best and most improved system of husbandry in the Isis Mill Area for cane lands and will not impoverish or waste the same and will yield up the same at the end of the said term or the sooner determination thereof in a good and clean state of cultivation and as far as practicable keep the same free and clean from weeds and undergrowth and in good heart and condition, and shall properly fertilise such crops in accordance with the best methods of husbandry PROVIDED HOWEVER the Lessee shall be permitted to grow or cultivate any other kind of crop on the Demised Land or any part thereof but only in proper rotation with sugar cane crops.
- 9.0 Lessee Right to Harvest 2023 Crop** – Should this Lease expire before the harvesting of the 2023 crops of sugar cane estimated by the Isis Mill cane inspector to be fit and acceptable for harvesting at the expiration of this Lease then the Lessee shall have the right during the 2023 harvesting season to enter upon the Demised Land with or without their employees agents or contractors for the purpose of harvesting such cane and may harvest cut and carry away the same in all respects as though these presents had been intended to include such harvestable cane acceptable to the Isis Mill.

**Title Reference [17203221]**

- 10.0 Lessee not to Encumber** – The Lessee shall not create execute or give any specific mortgage charge lien order or encumbrance of any kind whatsoever on this Lease or any part thereof.
- 11.0 Lessee right to Sub-let** – The Lessee must not sublet the Demised Land or Water Allocations or any part thereof.
- 12.0 Fencing** – The Lessor will not be liable to contribute towards the erection repair or maintenance of any fence or fences erected on or to be erected on the demised land anything in the Dividing Fences Act of 1953 or any amendment or other Act relating thereto notwithstanding and if the Lessee requires any fences to be erected or maintained they shall do the same at their own expense and shall repair such fences in accordance with the provisions of clause 5 hereof.
- 13.0 Default by Lessee**
- 13.1 Re-entry by Lessor** – If the rental or any part thereof is unpaid for a period of thirty (30) days after becoming payable whether legally demanded or not or if the Lessee make default in performing or observing any of the provisions stipulations and conditions on their part herein contained or hereby implied the Lessor may serve a notice on the Lessee specifying the non-payment event and amount or the event of default and giving the Lessee 14 days or more to remedy the items specified in the notice. If the Lessee does not remedy the non-payment or other event of default within the notice period the Lessor may immediately re-enter upon the Demised Land and this Lease and agreement will be absolutely determined but without prejudice to the Lessor's right of action in respect of any antecedent breach of any of the Lessee's covenants and stipulations. This proviso shall be deemed a modification of Section 107(d) of 'The Property Law Act 1974'.
- 13.2 Default Interest** – The Lessee must pay interest on any overdue amount payable to the Lessor. Interest must be calculated on the first business day of each month on each daily balance due but not paid by the Lessee to the Lessor on any account from the due date of the payment until payment is full received. The rate of interest will be the rate of interest equivalent to the National Australia Bank Indicator Lending Rate plus 2%. Unpaid interest must be capitalised on the last day of each month.
- 14.0 Control of Weeds etc** – The Lessee shall at their own expense punctually and effectively comply with all Local Government Acts and regulations or any other Acts, regulations or by-laws and directions of the Local Authority in which the demised land are situated relating to noxious weeds and undergrowth.
- 15.0 Transition on Expiry** – During the last year of the term as soon as the Lessee shall have cut and carried away the 2023 crop or crops from any part of the demised land the Lessor shall have full right and power to enter upon such part for the purpose of cultivating the same for the next season in such manner as they may deem desirable without in any way prejudicing the rights and powers of either the Lessor or the Lessee hereunder.
- 16.0 Mill Shares** – No shares in the Isis Mill are included in this Lease.
- 17.0 Access** – The Lessee and all employees, contractors and agents of the Lessee are permitted access to from and over the Land with or without plant, equipment, vehicles and machinery at all reasonable times for the purpose of the Lessee's use and occupation of the Demised Land, along the agreed locations, provided however the Lessee must not cause any interference with or destruction of the Lessors' use and occupation of those parts of the Land not included in the Demised Land. To remove any doubt this includes a right of access over the land to the Irrigation Plant which is not located on the Demised Land and is used by the Lessee subject to the terms of this Lease and subject always to the conditions of any supply agreement between Sunwater and the Lessor or Land Owner.
- 17.1** In exercising the right in clause 17.0 the Lessee must:
- 17.1.1** Access the Land at their sole risk;
- 17.1.2** Release the Lessor from any claims or demands of any kind and from all liability that may arise in respect of any accident or damage to property or death or harm or injury to any person on the Land; and
- 17.1.3** Indemnify the Lessor against any expenses, costs, liability, actions or damages incurred by the Lessee as a result of the Lessee exercising their rights under this Clause 17.

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- 18.0 Removal of Lessee Improvements** – All buildings and other structural improvements erected by the Lessee during the term hereof excepting fences shall be and remain the property of the Lessee and may be removed by the Lessee at any time within a period of one (1) month from the expiration or sooner determination of this Lease PROVIDED HOWEVER that the Lessee shall reinstate and make good any damage caused by such removal and shall fill in all holes in the demised land occasioned by such removal and provided further that the Lessee shall first grant to the Lessor the right to acquire the same from the Lessee at a reasonable price to be determined by arbitration in the event of non-agreement as to price.
- 19.0 Arbitration** – If any dispute or difference shall arise between the parties hereto with reference to this Lease or any matter connected with the demised land such dispute or difference shall (subject as hereinafter contained) be referred to arbitration under the provisions of 'The Commercial Arbitration Act of 1990'. The Lessors' powers and rights of re-entry shall be excluded from this clause.
- 20.0 Costs** – Each party shall pay their own Solicitors costs of and incidental to the preparation and execution of these presents however all lease duty, registration fees and outlays shall be paid by the Lessee.
- 21.0 Water Allocation**
- 21.1** The Lessee shall have the right to use the Waller Allocation.
- 21.2** The Lessee must pay for all Sunwater charges levied in respect of the Water Allocation relevant to the Term.
- 22.0 Cane Supply Agreement** – The parties shall notify the Isis Mill of the interests created by this Lease and shall sign, perform and do all such documents, acts and things as are required or necessary for that purpose and in particular shall ensure that any existing Cane Supply Agreement with the Isis Mill to which the Lessor is bound is assigned to the Lessee.
- 23.0 Electricity Guarantees** – The Lessee shall execute such electricity consumption, guarantees and other related agreements in relation to the supply of electricity to the demised land for irrigation purposes in the names of the Lessee during the term of this lease to the intent that such guarantees and other related agreements shall supersede those presently binding on the Lessor during the term of this Lease only and PROVIDE HOWEVER that each party shall pay for their separate use of electricity for irrigation purposes and shall make appropriate adjustment between them for such electricity costs.
- 24.0 Public Risk Insurance** – During the term of this Lease the Lessee shall insure with a reputable Insurance Company in the name of the Lessee as occupier of the demised land and improvements thereon against liability for all public risks to the extent of at least twenty million dollars (\$20,000,000.00) and the Lessee shall pay all premiums in relation to such public risk insurance cover.
- 25.0 Sale by Lessor** – The Lessor covenants and agrees with the Lessee that the Lessor will not during the term sell transfer or otherwise dispose of its interest in the Demised Land and/or Water Allocations without first procuring from its purchaser, transferee, or disponent a deed of covenant in favour of the Lessee providing that such purchaser transferee or disponent shall be bound by the provisions of this Lease (including any option to renew herein contained) in all respects as if such purchaser, transferee or disponent was the Lessor named in this Lease.
- 26.0 Assumption of Risk by Lessee** – the Lessee agrees to occupy and use the demised land at their own risk and the Lessor shall not be liable to the Lessee for any damage to any property of or in the possession of the Lessee and contained in or about the demised land howsoever occurring or for any loss of profits resulting therefrom except to the extent that such loss or damage is caused or contributed to by the negligence of the Lessor.
- 27.0 Indemnity by Lessee** – the Lessee shall indemnify and hold indemnified the Lessor from and against all actions, claims, demands, losses, damages, costs and expenses which the Lessor may sustain or incur or for which the Lessor whether during or after the term hereof may be or become liable in respect of:-
- 27.1 Breach of Covenant** – loss, damage or injury from any cause whatsoever to property or person in or about the demised land occasioned or contributed to by the failure of the Lessee or any person claiming through or under the Lessee to observe or perform any of the covenants, conditions and restrictions on the part of the Lessee hereunder whether positive or negative, expressed or implied;

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- 27.2 Misuse** – the negligent use or misuse, waste or abuse by the Lessee or any person claiming through or under the Lessee of any services to the demised land.
- 27.3 Escape of Harmful Agent** – the overflow, leakage or escape of water, fire, chemicals whatsoever in or from the demised land except to the extent that the same is caused or contributed to by any act or omission on the part of the Lessor or such of its servants or other persons for whom the Lessor is vicariously liable;
- 27.4 Failure to Notify** – the failure of the Lessee to notify the Lessor of any defect affecting the appurtenances in the demised land;
- 27.5 Use of the demised land** – loss, damage or injury from any cause whatsoever to property or persons caused or contributed to by the use of the demised land by the Lessee or any person claiming through or under the Lessee except to the extent that the same was caused or contributed to by the Lessor or such of its servants and other persons for whom the Lessor is vicariously liable;
- 27.6 Personal Injury** – any personal injury sustained by any person in or about the demised land howsoever caused other than by wilful or negligent act or omission of the Lessor, its servants or agents.
- 28.0 Condition of Lessor's liability** – Notwithstanding anything herein contained or implied to the contrary the Lessor shall not in the case of a remediable breach be or be deemed to be in default in the observance and performance of its obligations hereunder unless the Lessee shall have given notice in writing to the Lessor of such default and the Lessor has failed within a reasonable time thereafter to take proper steps to rectify such default.
- 29.0 Sugar Cane Planting** – The Lessee will at the expiration or sooner determination of this Lease leave such suitable sugar cane stool growing on the demised land as is necessary to ensure the proper future rotation of sugar cane stool thereon and they shall pay the costs of and incidental to the cultivation planting fertilizing and growing of such sugar cane crops up to the time of harvest of the sugar cane crop in the final harvesting season of the term.
- 30.0 Execution of Renewed Lease** – In the event of the parties mutually agreeing to the renewal of this Lease the parties shall execute a fresh Lease for such further term to be prepared, stamped and if necessary, registered by the Lessor's Solicitor at the expense of the Lessee except for Lessor's own legal costs in preparing and executing the fresh Lease which shall be paid by the Lessor and pending the execution of such fresh Lease the Lessee acknowledges that it will be bound by the terms, conditions and covenants of such fresh Lease in like manner as if the Lessee had so executed same. Fresh Lease shall not contain any provision for concession in payment of annual rent nor any option for renewal unless otherwise agreed by the parties.
- 31.0 Assignment** – the Lessee is not permitted to assign this Lease.
- 32.0 Goods and Services Tax**
- 32.1 Definitions** – in this Lease the expressions "GST", "input tax credit", "supply", "taxable supply", "recipient" and "consideration" have the meanings given to those expressions in the GST Act.
- 32.2 Prices are GST exclusive** – unless otherwise expressly stated, all rental or other sums payable or consideration to be provided under or in accordance with this Lease are exclusive of GST.
- 32.3 Payment of GST** – if GST is imposed on any supply made under or in accordance with this Lease then:
- 31.3.1** in addition to the consideration or other amount payable for the taxable supply; and
- 31.3.2** subject to the recipient receiving a valid tax invoice in respect of the taxable supply at or before the term of payment;
- the recipient of the supply must pay to the supplier the amount of the GST payable on the taxable supply at the same time and in the same manner as payment for the supply must be made under this Lease.
- 32.4 Exclusion of GST on reimbursement of expenses** – if a party to this Lease is required to reimburse any other party for any expense, loss or liability incurred or to be incurred by the other party ("reimbursable expenses"), the amount payable by the first party is the amount of the reimbursable expense net of input tax credits (if any).

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**33.0 General Provisions**

**33.1 Notice to Lessee** – any invoice, notice or demand in writing required to be given by the Lessor to the Lessee by the terms hereof may without prejudice to any other mode of delivery be left for the Lessee at the demised land or alternatively may be forwarded to the Lessee by pre-paid security post addressed to the Lessee's address for service identified in clause 1 hereof and such notice or demand if sent by post shall be deemed to have been given (whether received or not and if received whenever received) on the second week day other than a public holiday next following the day on which the same was posted.

**33.2 Notice to Lessor** – any notice or application in writing required to be given by the Lessee to the Lessor by the terms hereof shall be forwarded to the Lessor by security post addressed to the address referred to in clause 1 hereof and such notice or demand if sent by post shall be deemed to have been given (whether received or not and if received whenever received) on the second week day other than a public holiday next following the day on which the same was posted.

**33.3 Power of Attorney** – the Lessee hereby irrevocably nominates, constitutes and appoints the Lessor to be the true and lawful attorney and attorneys of the Lessee on behalf of an in the name of and as the act and deed of the Lessee:

**32.3.1** to execute a transfer or surrender of this Lease and to do all such things and sign all such documents as may be necessary to obtain registration thereof provided always that such power shall not be exercised unless and until this Lease shall have been lawfully determined sufficient proof whereof to the Registrar of Titles shall be the declaration of the Attorney or Attorneys exercising the power;

**32.3.2** to substitute as the Attorney or Attorneys of the Lessee, the purchaser (and the nominated officers of such purchaser) of the reversion of this Lease.

**33.4 Moratorium Negatived** – unless application is mandatory by law any statute, proclamation, order, regulation or moratorium present or future the same shall not apply to this Lease so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise prejudicially affect any rights, powers, remedies or discretions given or accruing to the Lessor.

**33.5 Representations** – each party acknowledges that it enters into this Lease relying entirely upon its own investigations, inspections and judgments and not upon any representations which may have been made to it by or on behalf of the other party. This Lease is subject to no conditions or warranties save such as are specifically stated herein. This Lease and any written consents given pursuant hereto contain the whole of the agreement reached between the parties.

**34. First Right of Refusal**

**34.1** If the Landlord intends to offer the Premises for sale to any other party during the Term, the Landlord must:

(a) Give the Tenant written notice of the terms on which it is prepared to sell and offering to sell the property to the Tenant on those terms and conditions; and

(b) Grant the Tenant one (1) month within which to notify the Landlord in writing that it accepts the offer.

**34.2** If the Tenant accepts the offer to sell, the Landlord must prepare a formal Contract of Sale and forward it to the Tenant for signature by the parties within a reasonable time.

**34.3** If the Tenant does not accept the offer to sell within the period specified, or notifies the Landlord that it does not intend to take up the offer, the Landlord will be at liberty to offer the property for sale to other persons on the terms or on terms no more favourable than those offered to the Tenant.



Title Reference [17203221]

